Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. (South Carolina Only)

EXPERIMENTAL

RESIDENTIAL SERVICE SOLAR WATER HEATING PILOT PROGRAM SWHPP-2

PURPOSE

The purpose of this pilot program is to determine and validate achievable energy savings with residential solar water heating technology. This program is available to no more than 150 residential participants on PEC's system installing a new solar water heating system.

AVAILABILITY

This pilot program is available on a first-come basis, as referenced by US Postal Date Stamp on Customer's application, to the first 150 customers applying that meet the following conditions of service:

- A. Customer must be receiving service from Company pursuant to a residential service schedule.
- B. Eligible solar water heating units must be installed by a Company-approved and authorized specialty installer in an owner-occupied, single-family home, which is Customers' primary residence. A list of specialty installers is available from Company.
- C. During the duration of the pilot, Customer must have an operable electric hot water heater in service in the participating residence to supplement the solar system.
- D. Customer shall allow Company, at Company's expense, to install monitoring equipment and retrieve operating data related to the solar water heating equipment.
- E. Company, in its sole discretion, may deny participation to any Customer to achieve a geographic and demographic diverse population of participants.
- F. If the residence is a new construction home, the home must be permanently occupied prior to Customer's application for this program.
- G. Residential dwellings of Company employees are not eligible to participate in this pilot program.

INCENTIVE PAYMENT

Participants meeting the above conditions of service and being accepted into the pilot program will receive a one-time incentive payment of \$1,000 upon Company's receipt of written confirmation that the Solar Water Heating system has been inspected and approved by the local Authority with copies of all inspection certificates or permits involved. Customers refusing to allow monitoring equipment to be installed on their solar thermal systems will not receive Company incentive dollars.

PROGRAM SWHPP-2 Sheet 1 of 2

RESPONSIBILITY OF PARTIES

Customer agrees to complete surveys requested by Company prior, during and after the pilot. Customer acknowledges that monitoring equipment may be attached to their solar water heating system to measure the thermal energy being produced and electricity consumption. Additionally, Company or its agents shall have the right of ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting, repairing and/or removing the monitoring equipment and verifying the overall working condition of the solar thermal system. If any intentional tampering with Company-owned or leased equipment occurs, Company may seek recourse in accordance with the Rules and Regulations of the Public Service Commission of South Carolina and the laws of the State of South Carolina.

CONTRACT TERM

The Contract Period for participation in the pilot program shall not be less than eighteen (18) months. Upon completion of the pilot program and data retrieval requirements, installed monitoring equipment at the residence shall be removed or remotely disabled and the Company's and Customer's obligations under the program shall cease.

GENERAL

Service rendered under this Program is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after June 3, 2009 SCPSC Docket No. 2009-190-E, Order No. 2009-373

PROGRAM SWHPP-2 Sheet 2 of 2